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PRESENT LAW INDIVIDUAL INCOME,  
ESTATE, GIFT, AND EXCISE  
TAX RATES

PREPARED BY THE STAFF OF THE  
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION



NOVEMBER 1954

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1954

## PRESENT LAW INDIVIDUAL INCOME, ESTATE, GIFT, AND EXCISE TAX RATES

TABLE 1.—*Present law tax rates on a single person or a married person filing a  
separate return*

Taxable income class <sup>1</sup> (thousands)	The tax is—
0 to \$2.....	20 percent of the taxable income.
\$2 to \$4.....	\$400 plus 22 percent of excess over \$2,000.
\$4 to \$6.....	\$840 plus 26 percent of excess over \$4,000.
\$6 to \$8.....	\$1,360 plus 30 percent of excess over \$6,000.
\$8 to \$10.....	\$1,960 plus 34 percent of excess over \$8,000.
\$10 to \$12.....	\$2,640 plus 38 percent of excess over \$10,000.
\$12 to \$14.....	\$3,400 plus 43 percent of excess over \$12,000.
\$14 to \$16.....	\$4,260 plus 47 percent of excess over \$14,000.
\$16 to \$18.....	\$5,200 plus 50 percent of excess over \$16,000.
\$18 to \$20.....	\$6,200 plus 53 percent of excess over \$18,000.
\$20 to \$22.....	\$7,260 plus 56 percent of excess over \$20,000.
\$22 to \$26.....	\$8,380 plus 59 percent of excess over \$22,000.
\$26 to \$32.....	\$10,740 plus 62 percent of excess over \$26,000.
\$32 to \$38.....	\$14,460 plus 65 percent of excess over \$32,000.
\$38 to \$44.....	\$18,360 plus 69 percent of excess over \$38,000.
\$44 to \$50.....	\$22,500 plus 72 percent of excess over \$44,000.
\$50 to \$60.....	\$26,820 plus 75 percent of excess over \$50,000.
\$60 to \$70.....	\$34,320 plus 78 percent of excess over \$60,000.
\$70 to \$80.....	\$42,120 plus 81 percent of excess over \$70,000.
\$80 to \$90.....	\$50,220 plus 84 percent of excess over \$80,000.
\$90 to \$100.....	\$58,620 plus 87 percent of excess over \$90,000.
\$100 to \$150.....	\$67,320 plus 89 percent of excess over \$100,000.
\$150 to \$200.....	\$111,820 plus 90 percent of excess over \$150,000.
\$200 and over.....	\$156,820 plus 91 percent of excess over \$200,000.

<sup>1</sup> Income after all deductions and exemptions.

NOTE.—Maximum effective rate limitation 87 percent of taxable income.

TABLE 2.—*Present law tax rates on a married couple filing a joint return (split income taken into account)*

Taxable income class <sup>1</sup> (thousands)	The tax is—
0 to \$4.....	20 percent of the taxable income.
\$4 to \$8.....	\$800 plus 22 percent of excess over \$4,000.
\$8 to \$12.....	\$1,680 plus 26 percent of excess over \$8,000.
\$12 to \$16.....	\$2,720 plus 30 percent of excess over \$12,000.
\$16 to \$20.....	\$3,920 plus 34 percent of excess over \$16,000.
\$20 to \$24.....	\$5,280 plus 38 percent of excess over \$20,000.
\$24 to \$28.....	\$6,800 plus 43 percent of excess over \$24,000.
\$28 to \$32.....	\$8,520 plus 47 percent of excess over \$28,000.
\$32 to \$36.....	\$10,400 plus 50 percent of excess over \$32,000.
\$36 to \$40.....	\$12,400 plus 53 percent of excess over \$36,000.
\$40 to \$44.....	\$14,520 plus 56 percent of excess over \$40,000.
\$44 to \$52.....	\$16,760 plus 59 percent of excess over \$44,000.
\$52 to \$64.....	\$21,480 plus 62 percent of excess over \$52,000.
\$64 to \$76.....	\$28,920 plus 65 percent of excess over \$64,000.
\$76 to \$88.....	\$36,720 plus 69 percent of excess over \$76,000.
\$88 to \$100.....	\$45,000 plus 72 percent of excess over \$88,000.
\$100 to \$120.....	\$53,640 plus 75 percent of excess over \$100,000.
\$120 to \$140.....	\$68,640 plus 78 percent of excess over \$120,000.
\$140 to \$160.....	\$84,240 plus 81 percent of excess over \$140,000.
\$160 to \$180.....	\$100,440 plus 84 percent of excess over \$160,000.
\$180 to \$200.....	\$117,240 plus 87 percent of excess over \$180,000.
\$200 to \$300.....	\$134,640 plus 89 percent of excess over \$200,000.
\$300 to \$400.....	\$223,640 plus 90 percent of excess over \$300,000.
\$400 and over.....	\$313,640 plus 91 percent of excess over \$400,000.

<sup>1</sup> Income after all deductions and exemptions.

NOTE.—Maximum effective rate limitation 87 percent of taxable income.

TABLE 3.—*Present law tax rates on a head of household*

Taxable income class <sup>1</sup> (thousands)	The tax is—
0 to \$2.....	20 percent of the taxable income.
\$2 to \$4.....	\$400 plus 21 percent of excess over \$2,000.
\$4 to \$6.....	\$820 plus 24 percent of excess over \$4,000.
\$6 to \$8.....	\$1,300 plus 26 percent of excess over \$6,000.
\$8 to \$10.....	\$1,820 plus 30 percent of excess over \$8,000.
\$10 to \$12.....	\$2,420 plus 32 percent of excess over \$10,000.
\$12 to \$14.....	\$3,060 plus 36 percent of excess over \$12,000.
\$14 to \$16.....	\$3,780 plus 39 percent of excess over \$14,000.
\$16 to \$18.....	\$4,560 plus 42 percent of excess over \$16,000.
\$18 to \$20.....	\$5,400 plus 43 percent of excess over \$18,000.
\$20 to \$22.....	\$6,260 plus 47 percent of excess over \$20,000.
\$22 to \$24.....	\$7,200 plus 49 percent of excess over \$22,000.
\$24 to \$28.....	\$8,180 plus 52 percent of excess over \$24,000.
\$28 to \$32.....	\$10,260 plus 54 percent of excess over \$28,000.
\$32 to \$38.....	\$12,420 plus 58 percent of excess over \$32,000.
\$38 to \$44.....	\$15,900 plus 62 percent of excess over \$38,000.
\$44 to \$50.....	\$19,620 plus 66 percent of excess over \$44,000.
\$50 to \$60.....	\$23,580 plus 68 percent of excess over \$50,000.
\$60 to \$70.....	\$30,380 plus 71 percent of excess over \$60,000.
\$70 to \$80.....	\$37,480 plus 74 percent of excess over \$70,000.
\$80 to \$90.....	\$44,880 plus 76 percent of excess over \$80,000.
\$90 to \$100.....	\$52,480 plus 80 percent of excess over \$90,000.
\$100 to \$150.....	\$60,480 plus 83 percent of excess over \$100,000.
\$150 to \$200.....	\$101,980 plus 87 percent of excess over \$150,000.
\$200 to \$300.....	\$145,480 plus 90 percent of excess over \$200,000.
\$300 and over.....	\$235,480 plus 91 percent of excess over \$300,000.

<sup>1</sup> Income after all deductions and exemptions.

NOTE.—Maximum effective rate limitation 87 percent of taxable income.

TABLE 4.—*Tax liability under present law by net income classes*<sup>1</sup>

Net income class <sup>1</sup>	Tax liability of—				
	Single person, no dependents	Head of household, 1 dependent	Married couple, no dependents	Married couple, 1 dependent	Married couple, 2 dependents
\$1,000	\$80				
\$2,000	280	\$160	\$160	\$40	
\$3,000	488	360	360	240	\$120
\$4,000	708	568	560	440	320
\$5,000	944	778	760	640	520
\$8,000	1,780	1,508	1,416	1,284	1,152
\$10,000	2,436	2,060	1,888	1,732	1,592
\$15,000	4,448	3,708	3,260	3,080	2,900
\$25,000	9,796	8,082	6,724	6,496	6,268
\$50,000	26,388	22,788	19,592	19,238	18,884
\$100,000	66,798	59,520	52,776	52,344	51,912
\$300,000	247,274	234,400	222,572	222,038	221,504
\$500,000	429,274	416,388	403,548	403,002	402,456
\$1,000,000	<sup>2</sup> 869,478	<sup>2</sup> 868,956	858,548	858,002	857,456

<sup>1</sup> Income after all deductions, except the deduction for personal exemptions and dependents.<sup>2</sup> Takes into account the maximum effective rate limitation of 87 percent of taxable income.TABLE 5.—*Effective rates of tax under present law by net income classes*<sup>1</sup>

[Percent]

Net income class <sup>1</sup>	Effective rates of tax of—				
	Single person, no dependents	Head of household, 1 dependent	Married couple, no dependents	Married couple, 1 dependent	Married couple, 2 dependents
\$1,000	8.0				
\$2,000	14.0	8.0	8.0	2.0	
\$3,000	16.3	12.0	12.0	8.0	4.0
\$4,000	17.7	14.2	14.0	11.0	8.0
\$5,000	18.9	15.6	15.2	12.8	10.4
\$8,000	22.3	18.9	17.7	16.1	14.4
\$10,000	24.4	20.6	18.9	17.3	15.9
\$15,000	29.7	24.7	21.7	20.5	19.3
\$25,000	39.2	32.3	26.9	26.0	25.1
\$50,000	52.8	45.6	39.2	38.5	37.8
\$100,000	66.8	59.5	52.8	52.3	51.9
\$300,000	82.4	78.1	74.2	74.0	73.8
\$500,000	85.9	83.3	80.7	80.6	80.5
\$1,000,000	<sup>2</sup> 86.9	<sup>2</sup> 86.9	85.9	85.8	85.7

<sup>1</sup> Income after all deductions, except the deduction for personal exemptions and dependents.<sup>2</sup> Takes into account the effect of the maximum effective rate limitation of 87 percent of taxable income.

TABLE 6.—*Income after present law taxes by net income classes*<sup>1</sup>

Net income class <sup>1</sup>	Income after tax of—				
	Single person, no dependents	Head of household, 1 dependent	Married couple, no dependents	Married couple, 1 dependent	Married couple, 2 dependents
\$1,000-----	\$920	\$1,000	\$1,000	\$1,000	\$1,000
\$2,000-----	1,720	1,840	1,840	1,960	2,000
\$3,000-----	2,512	2,640	2,640	2,760	2,880
\$4,000-----	3,292	3,432	3,440	3,560	3,680
\$5,000-----	4,056	4,222	4,240	4,360	4,480
\$8,000-----	6,220	6,492	6,584	6,716	6,848
\$10,000-----	7,564	7,940	8,112	8,268	8,408
\$15,000-----	10,552	11,292	11,740	11,920	12,100
\$25,000-----	15,204	16,918	18,276	18,504	18,732
\$50,000-----	23,612	27,212	30,408	30,762	31,116
\$100,000-----	33,202	40,480	47,224	47,656	48,088
\$300,000-----	52,726	65,600	77,428	77,962	78,496
\$500,000-----	70,726	83,612	96,452	96,998	97,544
\$1,000,000-----	<sup>2</sup> 130,522	<sup>2</sup> 131,044	141,452	141,998	142,544

<sup>1</sup> Income after all deductions, except the deduction for personal exemptions and dependents.<sup>2</sup> Takes into account the effect of the maximum effective rate limitation of 87 percent of taxable income.TABLE 7.—*Excess of present law tax liability of a single person over that of a head of household with 1 dependent and a married couple with 2 dependents by net income classes*<sup>1</sup>

Net income class <sup>1</sup>	Excess tax liability of a single person over—	
	Head of household, 1 dependent	Married couple, 2 dependents
\$1,000-----	\$80	\$80
\$2,000-----	120	280
\$3,000-----	128	368
\$4,000-----	140	388
\$5,000-----	166	424
\$8,000-----	272	628
\$10,000-----	376	844
\$15,000-----	740	1,548
\$25,000-----	1,714	3,528
\$50,000-----	3,600	7,504
\$100,000-----	7,278	14,886
\$300,000-----	12,874	25,770
\$500,000-----	12,886	26,818
\$1,000,000-----	<sup>2</sup> 522	<sup>2</sup> 12,022

<sup>1</sup> Income after all deductions except the deduction for personal exemptions and dependents.<sup>2</sup> Takes into account the effect of the maximum effective rate limitation of 87 percent of taxable income.

TABLE 8.—Comparison between the present law rates of tax on a single person, with that of a head of household and a married couple by taxable income classes <sup>1</sup>

[Rates of tax—percent]

Taxable income class <sup>1</sup> (thousands)	Single person	Head of household	Excess in taxable income class of single person's rate over head of household's rate	Married couple, joint return	Excess in taxable income class of single person's rate over married couple's rate
0 to \$2	20	20	0	20	0
\$2 to \$4	22	21	1	20	2
\$4 to \$6	26	24	2	22	4
\$6 to \$8	30	26	4	22	8
\$8 to \$10	34	30	4	26	8
\$10 to \$12	38	32	6	26	12
\$12 to \$14	43	36	7	30	13
\$14 to \$16	47	39	8	30	17
\$16 to \$18	50	42	8	34	16
\$18 to \$20	53	43	10	34	19
\$20 to \$22	56	47	9	38	18
\$22 to \$24	59	49	10	38	21
\$24 to \$26	59	52	7	43	16
\$26 to \$28	62	52	10	43	19
\$28 to \$32	62	54	8	47	15
\$32 to \$36	65	58	7	50	15
\$36 to \$38	65	58	7	53	12
\$38 to \$40	69	62	7	53	16
\$40 to \$44	69	62	7	56	13
\$44 to \$50	72	66	6	59	13
\$50 to \$52	75	68	7	59	16
\$52 to \$60	75	68	7	62	13
\$60 to \$64	78	71	7	62	16
\$64 to \$70	78	71	7	65	13
\$70 to \$76	81	74	7	65	16
\$76 to \$80	81	74	7	69	12
\$80 to \$88	84	76	8	69	15
\$88 to \$90	84	76	8	72	12
\$90 to \$100	87	80	7	72	15
\$100 to \$120	89	83	6	75	14
\$120 to \$140	89	83	6	78	11
\$140 to \$150	89	83	6	81	8
\$150 to \$160	90	87	3	81	9
\$160 to \$180	90	87	3	84	6
\$180 to \$200	90	87	3	87	3
\$200 to \$300	91	90	1	89	2
\$300 to \$400	91	91	0	90	1
\$400 and over	91	91	0	91	0

<sup>1</sup> Income after all deductions and exemptions.

TABLE 9.—Comparison of the difference in the present law tax of a single person with that of a head of household and a married couple in each taxable income class and the cumulative difference at the top of each taxable income class <sup>1</sup>

Taxable income class <sup>1</sup> (thousands)	Excess of single person's tax—			
	Over head of household in taxable income class	Over head of household cumulated to top of taxable income class	Over married couple in taxable income class	Over married couple cumulated to top of taxable income class
0 to \$2.....	0	0	0	0
\$2 to \$4.....	\$20	\$20	\$40	\$40
\$4 to \$6.....	40	60	80	120
\$6 to \$8.....	80	140	160	280
\$8 to \$10.....	80	220	160	440
\$10 to \$12.....	120	340	240	680
\$12 to \$14.....	140	480	260	940
\$14 to \$16.....	160	640	340	1, 280
\$16 to \$18.....	160	800	320	1, 600
\$18 to \$20.....	200	1, 000	380	1, 980
\$20 to \$22.....	180	1, 180	360	2, 340
\$22 to \$24.....	200	1, 380	420	2, 760
\$24 to \$26.....	140	1, 520	320	3, 080
\$26 to \$28.....	200	1, 720	380	3, 460
\$28 to \$32.....	320	2, 040	600	4, 060
\$32 to \$36.....	280	2, 320	600	4, 660
\$36 to \$38.....	140	2, 460	240	4, 900
\$38 to \$40.....	140	2, 600	320	5, 220
\$40 to \$44.....	280	2, 880	520	5, 740
\$44 to \$50.....	360	3, 240	780	6, 520
\$50 to \$52.....	140	3, 380	320	6, 840
\$52 to \$60.....	560	3, 940	1, 040	7, 880
\$60 to \$64.....	280	4, 220	640	8, 520
\$64 to \$70.....	420	4, 640	780	9, 300
\$70 to \$76.....	420	5, 060	960	10, 260
\$76 to \$80.....	280	5, 340	480	10, 740
\$80 to \$88.....	640	5, 980	1, 200	11, 940
\$88 to \$90.....	160	6, 140	240	12, 180
\$90 to \$100.....	700	6, 840	1, 500	13, 680
\$100 to \$120.....	1, 200	8, 040	2, 800	16, 480
\$120 to \$140.....	1, 200	9, 240	2, 200	18, 680
\$140 to \$150.....	600	9, 840	800	19, 480
\$150 to \$160.....	300	10, 140	900	20, 380
\$160 to \$180.....	600	10, 740	1, 200	21, 580
\$180 to \$200.....	600	11, 340	600	22, 180
\$200 to \$300.....	1, 000	12, 340	2, 000	24, 180
\$300 to \$400.....	-----	12, 340	1, 000	25, 180
\$400 and over.....	-----	12, 340	-----	25, 180

<sup>1</sup> Income after all deductions and exemptions.

TABLE 10.—*Determination of the present law income-tax liability of individuals with selected sources of income*

## I. DIVIDEND AND EARNINGS INCOME

Single person with dividend income of \$500 and earnings of \$4,500.

Total income.....	\$5,000.00
Less dividend exclusion.....	50.00
<hr/>	
Gross income.....	4,950.00
Less deductions:	
Personal deductions.....	\$495
Personal exemption.....	600
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	1,095.00
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Taxable income.....	3,855.00
<hr/>	
Tax liability (before dividends received tax credit).....	808.10
Less dividends received tax credit—4 percent (\$500—\$50).....	18.00
<hr/>	
Tax liability (after dividends received tax credit).....	790.10

## II. RETIREMENT INCOME

Single person over 65 years of age with pension of \$3,000. (Cost of pension recovered tax free in prior years.)

Gross income.....	\$3,000
Less deductions:	
Personal deductions.....	\$300
Personal exemption.....	1,200
	<hr/>
	1,500
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Taxable income.....	1,500
<hr/>	
Tax liability (before retirement income-tax credit).....	300
Less retirement income-tax credit (\$1,200×20 percent).....	240
<hr/>	
Tax liability (after retirement income-tax credit).....	60

## III. PENSION AND DIVIDEND INCOME

Married couple both over 65 years of age with 1 spouse receiving all income consisting of \$1,500 of dividends and a pension of \$3,500. (Cost of pension recovered tax free in prior years.)

Total income.....	\$5,000.00
Less dividend exclusion.....	50.00
Gross income.....	4,950.00
Less deductions:	
Personal deductions.....	\$495
Personal exemptions.....	2,400
	<u>2,895.00</u>
Taxable income.....	2,055.00
Tax liability (before tax credits).....	411.00
Less:	
(1) Dividends received tax credit for 1954, whichever is lesser:	
(a) 4 percent (\$1,500-\$50) or \$58.....	
(b) 2 percent $\times$ \$2,055 (taxable income) or \$41.10 <sup>1</sup> \$41.10	
(2) Retirement income tax credit (\$1,200 $\times$ 20 percent).....	240.00
	<u>281.00</u>
Tax liability (after tax credits).....	129.00

<sup>1</sup> For calendar year 1955 and subsequent years the limitation on the dividends received tax credit is 4 percent of taxable income.

## IV. INCOME FROM PURCHASED ANNUITY

Single male person 60 years of age, \$6,000 annual annuity, purchase price \$70,000.

Determination of taxable portion of annuity:

(1) Investment in contract.....	\$70,000
(2) Expected return (\$6,000 $\times$ 18.2) <sup>1</sup> .....	\$109,200
(3) Percent of income to be excluded (1) $\div$ (2).....	64.10
(4) Amount of annuity received.....	\$6,000
(5) Amount excludable ((3) $\times$ \$6,000).....	\$3,846
(6) Amount taxable (4)-(5).....	<u>\$2,154</u>

Determination of tax liability:

Gross income.....	\$2,154
Less deductions:	
Personal deductions.....	\$215
Personal exemption.....	600
	<u>815</u>
Taxable income.....	1,339
Tax liability.....	268

<sup>1</sup> The annual annuity payment times the multiple shown in the appropriate table in the regulations (based on age, sex, and type of contract) equals the expected return.

TABLE 11.—Table for computation of estate tax

(A) Net estate equaling—	(B) Net estate not exceeding—	(C) Tax	
		Tax on amount in col. (A)	Rate of tax on excess over amount in col. (A)  <i>Percent</i>
0-----	\$5,000-----		3
\$5,000-----	\$10,000-----	\$150	7
\$10,000-----	\$20,000-----	500	11
\$20,000-----	\$30,000-----	1,600	14
\$30,000-----	\$40,000-----	3,000	18
\$40,000-----	\$50,000-----	4,800	22
\$50,000-----	\$60,000-----	7,000	25
\$60,000-----	\$100,000-----	9,500	28
\$100,000-----	\$250,000-----	20,700	30
\$250,000-----	\$500,000-----	65,700	32
\$500,000-----	\$750,000-----	145,700	35
\$750,000-----	\$1,000,000-----	233,200	37
\$1,000,000-----	\$1,250,000-----	325,700	39
\$1,250,000-----	\$1,500,000-----	423,200	42
\$1,500,000-----	\$2,000,000-----	528,200	45
\$2,000,000-----	\$2,500,000-----	753,200	49
\$2,500,000-----	\$3,000,000-----	998,200	53
\$3,000,000-----	\$3,500,000-----	1,263,200	56
\$3,500,000-----	\$4,000,000-----	1,543,200	59
\$4,000,000-----	\$5,000,000-----	1,838,200	63
\$5,000,000-----	\$6,000,000-----	2,468,200	67
\$6,000,000-----	\$7,000,000-----	3,138,200	70
\$7,000,000-----	\$8,000,000-----	3,838,200	73
\$8,000,000-----	\$10,000,000-----	4,568,200	76
\$10,000,000-----		6,088,200	77

TABLE 12.—Table for computation of gift tax

(A) Amount of net gifts equaling—	(B) Amount of net gifts not exceeding—	Tax on amount in col. (A)	Rate of tax on excess over amount in col. (A)
			<i>Percent</i>
0	\$5,000		2¼
\$5,000	\$10,000	\$112. 50	5¼
\$10,000	\$20,000	375. 00	8¼
\$20,000	\$30,000	1, 200. 00	10½
\$30,000	\$40,000	2, 250. 00	13½
\$40,000	\$50,000	3, 600. 00	16½
\$50,000	\$60,000	5, 250. 00	18¾
\$60,000	\$100,000	7, 125. 00	21
\$100,000	\$250,000	15, 525. 00	22½
\$250,000	\$500,000	49, 275. 00	24
\$500,000	\$750,000	109, 275. 00	26¼
\$750,000	\$1,000,000	174, 900. 00	27¼
\$1,000,000	\$1,250,000	244, 275. 00	29¼
\$1,250,000	\$1,500,000	317, 400. 00	31½
\$1,500,000	\$2,000,000	396, 150. 00	33¾
\$2,000,000	\$2,500,000	564, 900. 00	36¾
\$2,500,000	\$3,000,000	748, 650. 00	39¾
\$3,000,000	\$3,500,000	947, 400. 00	42
\$3,500,000	\$4,000,000	1, 157, 400. 00	44¼
\$4,000,000	\$5,000,000	1, 378, 650. 00	47¼
\$5,000,000	\$6,000,000	1, 851, 150. 00	50¼
\$6,000,000	\$7,000,000	2, 353, 650. 00	52½
\$7,000,000	\$8,000,000	2, 878, 650. 00	54¾
\$8,000,000	\$10,000,000	3, 426, 150. 00	57
\$10,000,000		4, 566, 150. 00	57¾

TABLE 13.—*Excise taxes*

	Present law rates
Liquor taxes:	
Distilled spirits:	
Domestic.....	\$10.50 per proof or wine gallon if below proof. <sup>1</sup>
Imported.....	
Imported perfumes containing distilled spirits.	
Rectified spirits and wines, additional tax.....	30 cents per proof gallon.
Wines:	
Still wines according to alcohol content by volume:	
Not over 14 percent.....	17 cents per wine gallon.
Over 14 percent to 21 percent.....	67 cents per wine gallon.
Over 21 percent to 24 percent.....	\$2.25 per wine gallon.
Over 24 percent.....	\$10.50 per proof or wine gallon.
Sparkling wines, liqueurs, and cordials:	
Champagne or sparkling wines.....	\$3.40 per wine gallon.
Artificially carbonated wines.....	\$2.40 per wine gallon.
Liqueurs, cordials, etc.....	\$1.92 per wine gallon.
Containing more than 24 percent alcohol.	\$10.50 per proof or wine gallon.
Beer.....	\$9 per barrel.
Special occupational taxes:	
Wholesale dealers in liquor.....	\$200 per year.
Retail dealers in liquor.....	\$50 per year.
Rectifiers:	
Less than 500 barrels a year.....	\$110 per year.
More than 500 barrels a year.....	\$220 per year.
Manufacturers of stills or worms.....	\$55 per year.
Stills or worms, each.....	\$22.
Nonbeverage manufacturers, per annual withdrawals:	
Not more than 25 proof-gallons.....	\$25 per year.
Not more than 50 proof-gallons.....	\$50 per year.
More than 50 proof-gallons.....	\$100 per year.
Brewers:	
Less than 500 barrels a year.....	\$55 per brewery.
More than 500 barrels a year.....	\$110 per brewery.
Wholesale dealers in beer.....	\$100 per year.
Retail dealers in beer.....	\$22 per year.
Limited dealers in beer and wines.....	\$2.20 per month.

See footnotes at end of table, p. 18.

TABLE 13.—*Excise taxes*—Continued

	Present law rates
Tobacco taxes:	
Cigarettes:	
Small, weighing not more than 3 pounds per 1,000.	\$4 per 1,000.
Large, weighing more than 3 pounds per 1,000. <sup>2</sup>	\$8.40 per 1,000.
Cigars:	
Small, weighing not more than 3 pounds per 1,000.	75 cents per 1,000.
Large, weighing more than 3 pounds per 1,000 if intended to retail at—	
Not over 2½ cents.....	\$2.50 per 1,000.
Over 2½ to 4 cents.....	\$3 per 1,000.
Over 4 to 6 cents.....	\$4 per 1,000.
Over 6 to 8 cents.....	\$7 per 1,000.
Over 8 to 15 cents.....	\$10 per 1,000.
Over 15 to 20 cents.....	\$15 per 1,000.
Over 20 cents.....	\$20 per 1,000.
Tobacco, chewing and smoking.....	10 cents per pound.
Snuff.....	Do.
Cigarette paper and tubes:	
Paper, each package or book containing over 25 papers.	½ cent per 50 or fraction.
Cigarette tubes.....	1 cent per 50 or fraction.
Stamp taxes, documentary, etc.:	
Bond issues.....	11 cents per \$100 face value or fraction.
Bond transfers.....	5 cents per \$100 face value or fraction.
Stock issues:	
Par value.....	11 cents per \$100 or fraction of par or face value.
No par value—actual value \$100 or more per share.	11 cents per \$100 or fraction.
No par value—actual value less than \$100 per share.	3 cents each \$20 or fraction.
Stock transfers:	
Par value—if selling price is under \$20....	5 cents per \$100 or fraction of par or face value.
Par value—if selling price is over \$20....	6 cents per \$100 or fraction of par or face value.
No par value—if selling price is under \$20....	5 cents per share.
No par value—if selling price is over \$20....	6 cents per share.

See footnotes at end of table, p. 18.

TABLE 13.—*Excise taxes*—Continued

	Present law rates
Stamp taxes, documentary, etc.—Continued	
Deeds, real estate, conveyances, etc.-----	55 cents on amount over \$100 and not over \$500 55 cents on each additional \$500 or fraction.
Foreign insurance policies:	
Life, sickness, accident, annuity contracts, and contracts of reinsurance.	1 cent per dollar or fraction of premium.
Other-----	4 cents per dollar or fraction of premium.
Playing cards-----	13 cents per pack of not more than 54.
Silver bullion sales or transfers of amount by which selling price exceeds cost plus allowed expenses.	50 percent.
Manufacturers' excise taxes (based generally on manufacturers' sales price):	
Air conditioners-----	10 percent.
Automobiles, etc.:	
Automobiles, passenger, auto trailers, <sup>3</sup> and motorcycles.	Do.
Automobile trucks, trailers, buses, road tractors.	8 percent.
Parts and accessories <sup>4</sup> -----	Do.
Tires <sup>5</sup> -----	5 cents per pound.
Tubes-----	9 cents per pound.
Business machines (except retail cash registers).	10 percent.
Cameras, lenses and film <sup>6</sup> -----	Do.
Cigarette, cigar, and pipe mechanical lighters <sup>7</sup> .	Do.
Electric, gas, and oil appliances <sup>8</sup> -----	5 percent.
Electric-light bulbs and tubes-----	10 percent.
Firearms, shells and cartridges-----	11 percent.
Fountain pens, mechanical pencils, ball-point pens. <sup>7</sup>	10 percent.
Gasoline-----	2 cents per gallon.
Lubricating oil-----	6 cents per gallon. <sup>9</sup>
Matches:	
Ordinary-----	2 cents per 1,000. <sup>9</sup>
Fancy wood-----	5½ cents per 1,000.
White phosphorus-----	2 cents per 100.
Musical instruments-----	10 percent.
Phonographs and phonograph records-----	Do.
Pistols and revolvers-----	Do.
Radio receiving sets, components, etc. <sup>10</sup> -----	Do.
Refrigerators, refrigerating apparatus, and quick-freeze units. <sup>11</sup>	5 percent.
Sporting goods and equipment <sup>12</sup> -----	10 percent.
Television sets, components, etc-----	Do.

See footnotes at end of table, p. 18.

TABLE 13.—*Excise taxes*—Continued

	Present law rates
Retailers' excise taxes (based on retailers' sales price):	
Furs and fur articles.....	10 percent.
Jewelry, etc. <sup>13</sup> .....	Do.
Luggage, handbags, etc.....	Do.
Toilet preparations <sup>14</sup> .....	Do.
Miscellaneous taxes:	
Admissions:	
Generally <sup>15</sup> .....	1 cent for each 10 cents or major fraction.
Amount paid, 50 cents or less.....	None. <sup>16</sup>
Excess charges by proprietor.....	50 percent of excess charge.
Leases of boxes or seats.....	10 percent of amount charged for similar accommodations. <sup>17</sup>
Ticket broker sales in excess of regular price.....	10 percent of excess charge. <sup>17</sup>
Cabarets, roof gardens, etc. <sup>18</sup> .....	20 percent of taxable amount.
Horse and dog races.....	1 cent for each 5 cents or major fraction.
Bowling alleys, billiard and pool tables.....	\$20 per alley or table per year.
Club dues and initiation fees.....	20 percent of amount paid. <sup>19</sup>
Coconut and other vegetable oils processed, first domestic processing.	3 cents per pound. <sup>20</sup>
Coin-operated amusement or gaming devices:	
Amusement or music machines.....	\$10 per machine per year.
Gaming devices.....	\$250 per machine per year.
Diesel fuel for highway vehicles and special motor fuels.	2 cents per gallon.
Leases of safe-deposit boxes.....	10 percent of amount collected.
Oleomargarine, adulterated butter, filled cheese:	
Oleomargarine, imported only, in addition to import duties.	15 cents per pound.
Adulterated or process butter;	
Adulterated butter:}	
Adulterated butter.....	10 cents per pound.
Manufacturers.....	\$600 per year.
Wholesale dealers.....	\$480 per year.
Retail dealers.....	\$48 per year.
Process butter:	
Process butter.....	¼ cent per pound.
Manufacturers.....	\$50 per year.
Filled cheese:	
Domestic.....	1 cent per pound.
Imported, in addition to import duties.	8 cents per pound.
Manufacturers, per factory.....	\$400 per year.
Wholesale dealers.....	\$250 per year.
Retail dealers.....	\$12 per year.

TABLE 13.—*Excise taxes*—Continued

	Present law rates
Miscellaneous taxes—Continued	
Sugar (manufactured in United States or imported).	
Testing 92 sugar degrees.....	0.465 cent per pound.
Each additional degree (fractions in proportion).	0.00875 cent per pound.
Testing less than 92 sugar degrees.....	0.5144 cent per pound.
Telephone, telegraph, radio, and cable facilities, etc.:	
Local telephone service.....	10 percent of amount paid.
Telephone or radio-telephone messages, toll charges over 24 cents. <sup>21</sup>	Do.
Domestic telegraph, cable, and radio dispatches.	Do.
International telegraph, cable, or radio dispatches.	Do.
Leased-wire service, teletypewriter, or talking circuit special service.	Do.
Wire and equipment service (quotation service, burglar alarm, etc.).	8 percent of amount charged.
Transportation of oil by pipeline.....	4½ percent of amount paid.
Transportation of persons:	
Commutation or season tickets for single trips of less than 30 miles or commutation tickets for 1 month or less.	None.
Amounts paid, 35 cents or less.....	Do.
Amounts paid, over 35 cents, generally <sup>22</sup>	10 percent of amount paid.
Seats and berths.....	Do.
Transportation of property:	
Coal.....	4 cents per short ton.
All other.....	3 percent of amount paid.
Wagering:	
Wagers (except parimutuel).....	10 percent of amount of wager.
Occupation of accepting taxable wagers..	\$50 per year.
Other miscellaneous excise taxes:	
Bank circulation, etc., taxes:	
Circulation other than of national banks:	
On average circulation outstanding:	
Entire circulation, each month..	½ of 1 percent.
Circulation exceeding 90 percent of capital each month (additional tax).	⅓ of 1 percent.
Circulation paid out.....	10 percent.

See footnotes at end of table, p. 18.

TABLE 13.—*Excise taxes*—Continued

	Present law rates
Other miscellaneous excise taxes—Continued	
Cotton futures (subject to many conditions) ..	2 cents per pound.
Firearms (National Firearms Act):	
Certain short 2-barrel guns:	
Sale or transfer .....	\$1 per firearm.
Manufacturers .....	\$25 per year.
Dealers .....	\$1 per year.
Machineguns, silencers, etc.:	
Sale or transfer .....	\$200 per firearm.
Importers or manufacturers .....	\$500 per year.
Dealers .....	\$200 per year.
Pawnbrokers .....	\$300 per year.
Import taxes (omitted from this table):	
Marihuana:	
Transfers to registered persons .....	\$1 per ounce.
Transfers to unregistered persons .....	\$100 per ounce.
Importers, manufacturers, and com- pounders.	\$24 per year.
Producers .....	\$1 per year.
Practitioners .....	Do.
Persons engaged in laboratory research .....	Do.
Millers .....	Do.
Persons other than practitioners who deal in, dispense or give away.	\$3 per year.
Opium:	
Opium and coca leaves, etc. ....	1 cent per ounce or fraction.
Opium for smoking .....	\$300 per pound.
Importers, manufacturers, producers, and compounders.	\$24 per year.
Wholesale dealers .....	\$12 per year.
Retail dealers .....	\$3 per year.
Practitioners .....	\$1 per year.
Persons engaged in laboratory research .....	Do.
Persons not otherwise taxed, dispensing preparation of limited narcotic con- tent.	Do.

See footnotes at end of table, p. 18.

<sup>1</sup> Drawback of \$9.50 per proof gallon is provided for distilled spirits used for nonbeverage purposes leaving a net tax of \$1 per proof gallon.

<sup>2</sup> Large cigarettes measuring over 6½ inches long, counting each 2¾ inches as 1 cigarette, taxed as small cigarettes.

<sup>3</sup> House trailers exempt.

<sup>4</sup> Rebuilt or reconditioned parts and accessories taxed only on that portion of the price which exceeds the value of a like part traded in. Credit or refund of the tax is granted where parts or accessories are used or resold for the repair or replacement of farm equipment, except in the case of spark plugs, storage batteries, leaf springs, coils, timers, and tire chains.

<sup>5</sup> Tires not more than 20 inches in diameter, and not more than 1¾ inches in cross section if such tires are of all-rubber construction without fabric or metal reinforcement, or tires of extruded tiring with internal wire fastening agent, exempt.

<sup>6</sup> Commercial and industrial types exempt.

<sup>7</sup> Those subject to the retail jewelry tax not to be taxed at the manufacturers' level also.

<sup>8</sup> Household-type appliances only. Heating pads, washing machines, and vacuum cleaners exempt.

<sup>9</sup> Tax cannot exceed 10 percent of price for which so sold.

<sup>10</sup> Communication, detection, or navigation receivers of the type used in commercial, military, or marine installations are exempt if sold to the U. S. Government.

<sup>11</sup> The tax does not apply to refrigeration components sold to wholesalers or retailers where the components are held for resale to manufacturers of refrigeration or freezing equipment.

<sup>12</sup> Specific types of articles used predominantly for school sports and by children exempt.

<sup>13</sup> Exemptions include silver-plated flatware, watches designed for the blind, articles used for religious purposes, surgical instruments, frames for eyeglasses, and buttons, insignia, etc., used on uniforms of the Armed Forces.

<sup>14</sup> Baby powders, oils, and lotions, barber and beauty shop supplies to be used on premises, and miniature samples of toilet preparations sold to house-to-house salesmen for demonstration purposes, exempt.

<sup>15</sup> Admissions accruing to specified educational, religious, and charitable institutions, and nonprofit organizations, and all free admissions exempt. In the case of reduced-rate admissions, tax applies to actual amount paid.

<sup>16</sup> Exemption does not apply to admissions to horse or dog races.

<sup>17</sup> If admission is to horse or dog race track, rate is 20 percent.

<sup>18</sup> Admissions to ballrooms and dance halls where serving of food, etc., is incidental to furnishing music and dancing privileges, exempt.

<sup>19</sup> Dues or membership fees of \$10 or less exempt. Initiation fees of \$10 or less exempt unless dues or membership fees exceed \$10.

<sup>20</sup> Additional tax of 2 cents per pound if coconut oil is not from the Philippines, Trust Territories, or any possession of the United States.

<sup>21</sup> Calls from combat zones initiated by members of the Armed Forces exempt.

<sup>22</sup> Excise Tax Act of 1947 exempted, in general, transportation outside northern portion of Western Hemisphere. Revenue Act of 1951 exempted fishing trips and in the case of vessels making voyages between the United States and a port outside the northern portion of the Western Hemisphere, an intermediate stop in a port in the United States, Canada, or Mexico shall not give rise to tax liability if the ship is not authorized both to discharge and take on passengers at such intermediate stops.

TABLE 14.—*Excise tax rates which will automatically be reduced on Apr. 1, 1955, to rates in effect prior to Revenue Act of 1951*

	Unit of tax	Present law rate	Rate to become effective Apr. 1, 1955
<b>Liquor taxes:</b>			
Distilled spirits.....	Per proof gal- lon.	\$10.50---	\$9.
Beer.....	Per barrel---	\$9-----	\$8.
<b>Wine:</b>			
<b>Still wine:</b>			
Containing less than 14 percent alcohol.	Per wine gal- lon.	17 cents--	15 cents.
Containing 14 to 21 per- cent alcohol.	-----do-----	67 cents--	60 cents.
Containing 21 to 24 per- cent alcohol.	-----do-----	\$2.25---	\$2.
Containing more than 24 percent alcohol.	-----do-----	\$10.50---	\$9.
<b>Sparkling wines, liqueurs, cor-   dials, etc.:</b>			
Champagne or sparkling wine.	Per wine gal- lon.	\$3.40---	\$3.00.
Liqueurs, cordials, etc....	-----do-----	\$1.92---	\$1.60.
Artificially carbonated wines.	-----do-----	\$2.40---	\$2.00.
<b>Tobacco taxes: Cigarettes.....</b>	Per 1,000....	\$4-----	\$3.50.
<b>Manufacturers' excises:</b>			
Gasoline.....	Per gallon....	2 cents---	1½ cents.
Passenger cars and motorcycles....	Manufactur- ers' sale price.	10 per- cent.	7 percent.
Trucks, buses, truck trailers.....	-----do-----	8 percent-	5 percent.
Parts and accessories.....	-----do-----	-----do-----	Do.
<b>Retailers' excises: Diesel and special motor fuel.</b>	Per gallon....	2 cents---	1½ cents. <sup>1</sup>

<sup>1</sup> No excise tax on diesel fuel prior to Revenue Act of 1951 but rate will be reduced to 1½ cents per gallon on Apr. 1, 1955.

